

DISCLAIMER:

EACH DOCUMENT IS INTENDED FOR INFORMATIONAL PURPOSES ONLY. IF YOUR LOAN APPLICATION IS ACCEPTED BY CALHFA, THE LOAN DOCUMENTS SPECIFIC TO YOUR TRANSACTION WILL BE TAILORED TO MEET THE SPECIFIC REQUIREMENTS OF YOUR TRANSACTION AND MAY VARY SUBSTANTIALLY FROM THE DOCUMENTS POSTED HERE. THE TEMPLATE LOAN DOCUMENTS ARE SUBJECT TO CHANGE WITHOUT NOTICE. CALHFA DOES NOT WARRANT OR REPRESENT THAT THE COVENANTS AND CONDITIONS IN THE TEMPLATE DOCUMENTS WILL APPLY TO YOUR SPECIFIC TRANSACTION.

CAPITALIZED OPERATING SUBSIDY RESERVE AGREEMENT

This Capitalized Operating Subsidy Reserve Agreement (“**Agreement**”) dated as of _____ 200_, by and between _____, a California (“**Borrower**”) and the California Housing Finance Agency (the “**Agency**”), a public instrumentality and a political subdivision of the State of California created by the Zenovich-Moscone-Chacon Housing and Home Finance Act (the “**Act**”), Division 31 of the California Health and Safety Code.

WHEREAS, Borrower is the owner of the property located in _____ County, California (the “**Property**”). Pursuant to the Mental Health Services Act (“**MHSA**”) housing program (“**MHSA Housing Program**”), Borrower has acquired a loan in the amount of _____ (\$_____) (“**MHSA Permanent Loan**”) to finance the development on the property commonly known as _____ Apartments (“**Development**”), for the purpose of making available permanent supportive housing to the “**MHSA Target Population**” or “**MHSA Eligible Residents**.”

WHEREAS, in connection with the MHSA Permanent Loan, Borrower has entered into a Regulatory Agreement (“**MHSA Regulatory Agreement**”) and has applied for a Capitalized Operating Subsidy Reserve (defined below) for the purpose of subsidizing operating costs of the MHSA Housing Units (“**MHSA Housing Unit(s)**”). The Agency has agreed to provide this COSR (defined below) in the amount of _____ and no/100s Dollars (\$_____) subject to the provisions of this Agreement.

Capitalized words and phrases used without definition in this Agreement and defined in the MHSA Regulatory Agreement shall have the meanings ascribed to them in the MHSA Regulatory Agreement.

NOW THEREFORE, in consideration of the terms, conditions and covenants hereinafter set forth, the parties agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the recordation of the MHSA Deed of Trust associated with the MHSA Permanent Loan. However, the Initial Disbursement (defined below) shall not be made until all of the conditions as specified in Section 8 of this Agreement are satisfied. This Agreement shall remain in full force and effect until the earlier of:

DRAFT – DO NOT EXECUTE

(a) termination of the MHSA Regulatory Agreement; or (b) depletion of amounts remaining in the COSR attributable to the Development. In the event the MHSA Regulatory Agreement is terminated prior to the depletion of the COSR, any remaining amounts of the COSR shall remain in the possession of the Agency and be deposited in the respective County Sub Account (defined below) for the benefit of the MHSA Housing Program. If there are COSR monies held by the Borrower at the termination of this Agreement, Borrower shall immediately return such monies to the Agency for deposit into the Agency held County Sub Account. Such obligation shall survive beyond the term of this Agreement.

2. Development Details.

(a) This Development is a:

- ☐ Rental Housing Development
- ☐ Shared Housing Development

(b) This Development is a:

- ☐ Mixed Population
- ☐ Single Population

(c) This Development has:

_____ Total Units
_____ Total MHSA Housing Units
_____ Total COSR MHSA Housing Units (defined below)

(d) Other Project-Based Operating or Rental Subsidies (defined below):

- ☐ Yes
- ☐ No

(i) Type _____
Amount _____
Renewable _____
Term _____
Units Covered _____

(ii) Type _____
Amount _____
Renewable _____
Term _____
Units Covered _____

DRAFT – DO NOT EXECUTE

3. Definitions.

- (a) “**Business Day**” means Monday through Friday excluding state and federal holidays.
- (b) “**Capitalized Operating Subsidy Reserve**” or “**COSR**” means an account held and invested by the Agency to cover shortfalls in Unit income available for payment of approved Operating Expenses attributable to MHSA Housing Units. Funds shall be set aside at the MHSA Permanent Loan Closing Date in a reserve for the purpose of supplementing Development income for the payment of approved Operating Expenses associated with MHSA Housing Units that will receive COSR.
- (c) “**Certificate of Occupancy**” shall mean a certificate, or equivalent, issued by a local building department to the Borrower that indicates that the Development has met all local code requirements and is ready for occupancy.
- (d) “**Completion Date**” shall mean either: (i) the date the Development receives its Certificate of Occupancy for new construction; or (ii) records the Notice of Completion form, or equivalent, for acquisition-rehabilitation projects; or (iii) the MHSA Permanent Loan Closing Date for those projects already constructed and where no rehabilitation is contemplated.
- (e) “**County**” shall mean _____.
- (f) “**COSR MHSA Housing Unit**” means an MHSA Housing Unit which receives a subsidy from the COSR. In the case of a Shared Housing Development, each bedroom that is covered by the COSR is considered a COSR MHSA Housing Unit.
- (g) “**County Sub Account**” shall mean those accounts created for the purpose of holding of the funds held by the Agency and allocated to each county by DMH.
- (h) “**Fiscal Year**” shall mean a twelve (12) month accounting period as stated in the MHSA Regulatory Agreement.
- (i) “**Initial Disbursement**” shall mean the first (1st) advance of funds from the COSR following the MHSA Permanent Loan Closing Date.
- (j) “**Initial Operating Period**” shall commence upon the date of initial occupancy of the Development following the issuance of a Certificate of Occupancy, Notice of Completion or equivalent, and end on the last day of the first (1st) full Fiscal Year. With respect to Developments that receive low income housing tax credits, the Initial Operating Period shall be deemed to be the “Placed in Service” date, as defined within Section 42 of the Internal Revenue Code of 1986, as amended.
- (k) “**Operating Expense**” shall mean the normal and customary expenses for the operation of the Development as approved by the Agency.

DRAFT – DO NOT EXECUTE

(l) “**Other Project-Based Operating or Rental Subsidies**” shall mean all other committed project-based operating or rental subsidies including but not limited to project-based Section 8 of the United States Housing Act (42 USC § 1437f), as amended (“**Section 8**”), other government or private foundation-based subsidies, including those committed by the County, or any additional capitalized operating subsidy reserves funded with sources other than MHSA Housing Program funds.

(m) “**Other Tenant-Based Rental Subsidies**” shall mean all other individual tenant-based rental subsidies including but not limited to individual Section 8 vouchers and County-based MHSA full service provider housing payments.

4. Purpose and Uses of Capitalized Operating Subsidy Reserve.

(a) The COSR is intended to cover the difference between the approved Operating Expenses attributable to the COSR MHSA Housing Units and COSR MHSA Housing Unit revenue. COSR MHSA Housing Unit revenue includes: operating income; Other Project-Based Operating or Rental Subsidies; and/or Other Tenant-Based Rental Subsidies (if applicable) attributable to that COSR MHSA Housing Unit.

(b) Annual distributions of the COSR shall be used to pay:

(i) Approved Operating Expenses in excess of actual Development income attributable to the COSR MHSA Housing Units. Annual payments will be based upon the Development’s Fiscal Year, estimated from the approved Development Annual Operating Budget; and

(ii) The annual Servicing Fee equal to 0.42 percent (0.42%) of the original MHSA Permanent Loan in the amount as specified on **Exhibit D** of the MHSA Regulatory Agreement.

(c) The balance of the annual distribution COSR may be used to pay, upon written approval by the Agency, the following, if funds are available after the items in (b) above have been paid, in the priority order specified below:

(i) If the Development has an HCD loan, the portion of the 0.42 percent (0.42%) required annual interest payment of the principal amount of the MHP loan, attributable to the COSR MHSA Housing Units.

(ii) Annual bond issuance fees, if any, attributable to the COSR MHSA Housing Units.

(iii) PAMF of up to \$30.00 per month per Unit, up to \$18,000.00 per Development per year adjusted by the Agency for inflation.

DRAFT – DO NOT EXECUTE

(iv) An annual Cash Flow Operating Reserve deposit not to exceed three percent (3%) of anticipated Gross Income for the relevant year attributable to the COSR MHSA Housing Units and as indicated on **Exhibit C** of the MHSA Regulatory Agreement.

(v) Deferred developer fees, if any, attributable to the COSR MHSA Housing Units.

(vi) Service coordinator salaries and benefits attributable to the COSR MHSA Housing Units.

(d) The COSR shall NOT be used to pay:

(i) Amortized debt service payments.

(ii) Ground lease payments.

(iii) Asset management fees or PAMF in excess of the proportionate share allowed in the MHSA Housing Program as adjusted for inflation and as specified in Section 4(c)(iii) above.

(iv) The operating costs of any non-MHSA Housing Unit.

(v) The operating costs of any MHSA Housing Units for which the Borrower did not apply for and receive a COSR award.

(vi) Cash Distributions to the Borrower.

(vii) Residual Receipts payments to other lenders.

(viii) Balloon payment on other loans.

(ix) Other such costs not approved by the Agency.

5. Occupancy Rent Requirements.

(a) MHSA Eligible Residents renting COSR MHSA Housing Units shall pay the tenant portion of the rent.

(b) For MHSA Housing Units receiving a COSR, the tenant portion of the rent shall be set at thirty percent (30%) of the current SSI/SSP grant amount for a single individual living independently or thirty percent (30%) of the total household income, whichever is higher, and as adjusted for a utility allowance when paid by tenants.

(c) For COSR MHSA Housing Units receiving Other Project-Based Operating or Rental Subsidies or Other Tenant-Based Rental Subsidies that subsidize the tenant portion of the rent to thirty percent (30%) of the tenant's actual income, the tenant portion of the rent shall be set at

DRAFT – DO NOT EXECUTE

thirty percent (30%) of the tenant's actual income, as adjusted for a utility allowance when paid by the tenant for the time that the additional subsidy is available.

(d) The COSR shall only be available in those months which an MHSA Eligible Resident occupies a COSR MHSA Housing Unit. The only exceptions shall be:

(i) COSR may continue for up to three (3) months when the MHSA Eligible Resident is in the hospital, an acute or long-term care facility, or other institutional setting, provided that the MHSA Eligible Resident is expected to return within the three-month period and the tenant portion of the rent is paid.

(ii) The COSR may continue for up to three (3) months following the date the MHSA Eligible Resident vacates the COSR MHSA Housing Unit when the MHSA Eligible Resident resided in the COSR MHSA Housing Unit with other household members who continue to occupy that Unit. Borrower shall ensure that three (3) months notice is given to lessees who are not members of the MHSA Target Population and who continue to reside in the Unit after the MHSA Eligible Resident is no longer in residence, that the COSR will be terminated, and that the rent amount will be adjusted to a market rate or the maximum allowable rent under the Development's other regulatory agreements, as well as the effective date of the rent increase.

(iii) In addition to (i) and (ii) above, the COSR may continue for up to two (2) months upon vacancy of a COSR MHSA Housing Unit.

(e) Exhaustion of the COSR:

(i) If COSR and/or Other Project-Based Operating or Rental Subsidies, for the MHSA Housing Units are expected to be exhausted prior to the Maturity Date of the original MHSA Permanent Loan, the Borrower may submit a plan for transition of the terms of occupancy of these Units. The plan shall be submitted to the Agency at least two (2) years prior to the expected depletion of the subsidies. The plan shall include, but not be limited to the following:

(1) An explanation of the efforts the Borrower has made to secure Other Project-Based Operating or Rental Subsidies necessary to sustain the lower MHSA Housing Units rents from other sources.

(2) An explanation of the fiscal necessity of adjusting the number or use of the designated MHSA Housing Units.

(3) A process for increasing the rent and continuing to market and rent the MHSA Housing Units to members of the MHSA Target Population who do not require subsidies.

(4) The plan for continuing, throughout the term of the MHSA Permanent Loan, to apply for other subsidies, renewal of subsidies, and/or applications to the

DRAFT – DO NOT EXECUTE

County or other sources for additional funds to subsidize the rental of MHSA Housing Units to members of the MHSA Target Population.

(ii) Upon exhaustion of the COSR the Borrower may petition the Agency to raise the tenant portion of the rent to thirty percent (30%) of fifty percent (50%) AMI, provided the above conditions have been met.

(f) In the event of any conflict between Section 5 of this Agreement and Section 4 (“Rental and Occupancy Requirements”) of the MHSA Regulatory Agreement, the MHSA Regulatory Agreement shall prevail unless otherwise approved in writing by the County and the Agency.

6. Calculation of COSR Annual Disbursements.

(a) The amount of the COSR shall be based on the difference between the anticipated revenue of the COSR MHSA Housing Units minus anticipated vacancies and estimated annual operating costs of the COSR MHSA Housing Units. The anticipated revenue of a COSR MHSA Housing Unit includes: (1) tenant portion of the rent; and (2) the anticipated amount of Other Project-Based Operating or Rental Subsidies and Other Tenant-Based Rental Subsidies received by the COSR MHSA Housing Unit.

(b) The first advance or initial calculation of the COSR includes the anticipated tenant portion of the subsidized rent for one (1) full year and may also include a per diem of the COSR from the Completion Date to the first day of the next quarter.

(c) The COSR for the COSR MHSA Housing Units was calculated on a ____ year (____) projection (see Cash Flow Projection attached as **Exhibit A**).

(d) If an MHSA Housing Unit has Other Project-Based Operating or Rental Subsidies, Other Project-Based Operating or Rental Subsidies will be used prior to the use of the COSR, but, subject to the Agency’s approval, may be used concurrently with the COSR if necessary to pay for approved operating costs.

(e) The COSR will be reconciled with actual operating costs at Fiscal Year end or as may be necessitated by quarterly financial reviews.

(f) The Agency will make annual and quarterly determinations of allocation of need of the COSR.

(g) If any unused disbursed COSR funds remain in any given quarter, those funds will be applied toward the next quarter.

7. Ownership, Reduction or Termination of Capitalized Operating Subsidy Reserve.

(a) Borrower acknowledges and agrees that it has no ownership interest in the COSR.

DRAFT – DO NOT EXECUTE

(b) Borrower acknowledges and agrees that the COSR may be reduced or reallocated prior to depletion if the Development receives new, or an extension of, existing Other Project-Based Operating or Rental Subsidies beyond those identified in the original underwriting, and in the judgment of the Agency, the Development has not used, or will not be able to fully use funds in the COSR in the first twenty (20) years following the execution of this Agreement.

(c) Borrower acknowledges and agrees that the COSR shall be reduced, suspended or terminated under the following circumstances:

(i) COSR MHSA Housing Units are not rented to MHSA Eligible Residents.

(ii) The MHSA Eligible Resident occupying an MHSA Housing Unit has Other Tenant-Based Operating Subsidies.

(iii) The COSR MHSA Housing Unit receives Other Project-Based Operating or Rental Subsidies that were not anticipated in the original underwriting.

(iv) The Borrower is in Default under the MHSA Regulatory Agreement or other MHSA Permanent Loan Documents.

(d) Borrower acknowledges and agrees that the COSR has been allocated to the Development for the benefit of the MHSA Eligible Residents and will be held in a reserve account by the Agency.

(e) Borrower acknowledges that the COSR has been calculated on a _____ (_____) year projection. This may or may not result in actual funds being available for the full _____ years.

(f) Borrower acknowledges and agrees that the total amount of the COSR or any single disbursement may be reduced by the Agency, if the Agency determines that the full amount of the disbursement is not required to cover all reasonable and allowable Operating Expenses attributable to operation of the MHSA Housing Units.

(g) Borrower acknowledges and agrees that the first year, or any subsequent year, disbursement of the COSR may be held back in the event that the Development has Other Project-Based Operating or Rental Subsidies to fully cover Operating Expenses for the MHSA Housing Units.

(h) Borrower acknowledges that the disbursement of the first year of the tenant's portion of the rent is intended to be a revolving fund that pays for the tenant portion for the rent for the MHSA Eligible Residents who are renting COSR MHSA Housing Units while they are in the process of qualifying for SSI/SSP disability benefits and general relief. The Borrower acknowledges that when an MHSA Eligible Resident has rented a COSR MHSA Housing Unit, but cannot qualify for SSI/SSP benefits, that tenant must either pay the tenant portion of the rent or their rent must be paid with other sources.

DRAFT – DO NOT EXECUTE

8. Conditions for the Initial Disbursement.

(a) Initial Disbursement of COSR shall become available after the Completion Date and upon the Agency's receipt and approval of the following:

(i) Fully executed and, if applicable, recorded MHSA Permanent Loan Documents.

(ii) A Certificate of Occupancy for the Development.

(iii) A first year Annual Operating Budget and long-term cash flow analysis meeting MHSA Housing Program requirements. For a Mixed Population Development, the Borrower must submit a bifurcated Annual Operating Budget that distinguishes the COSR MHSA Housing Units from those Units that do not receive the COSR, and show associated costs.

(iv) A current listing of all permanent funding sources, including amounts, payment terms, and legal documentation, as requested.

(v) A description of and documentation for any Other Project-Based Operating Subsidies or Rental Subsidies, or Other Tenant-Based Operating Subsidies committed, contemplated, or denied for use in the Development.

(vi) A marketing and rent-up plan for the MHSA Housing Program, including MHSA rental agreements to be used, and current rent schedule showing the gross rents, utility allowances, and contract rents.

(vii) Documentation of current utility allowance figures from the local housing authority.

(viii) The final organizational documents of the Borrower and any other documents, including but not limited to investor estoppels, if applicable, as requested by the Agency.

(ix) A Supportive Services budget for on-site Supportive Services and Supportive Services on-site staffing ratios approved by DMH.

(x) An updated DMH-Approved Supportive Services Plan, if requested by the Agency.

(xi) An executed Memorandum of Understanding ("**MOU**") with Borrower and the County, the primary service provider, and the property management agent.

(xii) Full advance of MHSA Permanent Loan proceeds.

(xiii) Other items deemed necessary by the Agency to determine the required amount of COSR or requirements with MHSA Housing Program.

DRAFT – DO NOT EXECUTE

(b) Other Conditions

(i) Borrower shall provide a signed MHSA Housing Program Requisition for Disbursement of Capitalized Operating Subsidy Funds (“***Requisition for Disbursement***”) (see **Exhibits B-1** and **B-2**) twenty (20) Business Days prior to the requested date for disbursement of funds.

(ii) If the requested date of the Initial Disbursement is not the first day of a quarter, the Initial Disbursement shall include a per diem of the COSR from the date of the Initial Disbursement to the first day of the next quarter.

(iii) The Initial Disbursement may include the anticipated tenant portion of the subsidized rent for one (1) full year as described in Section 7(h).

9. Subsequent Disbursement of COSR Funds.

(a) Subsequent disbursements of COSR shall be available on the first Business Day of each quarter.

(b) Quarters begin in January, April, July, and October.

(c) The COSR will be disbursed each quarter in advance.

(d) Subsequent Disbursements shall require: (i) Requisition for Disbursement twenty (20) Business Days prior to the requested date for disbursement of funds; (ii) a quarterly expense report; (iii) reports as required in Section 10(d); and (iv) additional information to as requested.

(e) In addition to the conditions set forth above, all subsequent Disbursements shall be subject to the Borrower’s full compliance with all other terms and conditions of this Agreement and the MHSA Regulatory Agreement. These include the correction of any deficiencies identified by the Agency and/or County and compliance with any agreements with the Borrower regarding the MHSA Housing Program funding of Supportive Services for the Development.

10. Borrower’s Ongoing Obligations.

(a) Subsidies:

(i) Borrower is required to assist MHSA Eligible Residents in applying for Other Tenant-Based Rental Subsidies including but not limited to SSI/SSP and medical benefits.

(ii) Borrower is required to re-apply for Other Project-Based Operating or Rental Subsidies when they expire and other requirements as required by the MHSA Regulatory Agreement.

DRAFT – DO NOT EXECUTE

(b) Tenant Portion of the Rent:

Borrower shall include in COSR MHSA Housing Unit leases an agreement with MHSA Eligible Residents renting the COSR MHSA Housing Unit, that once the MHSA Eligible Resident qualifies for and begins collection of benefits, including but not limited to SSI/SSP, that tenant will pay back the rent chargeable to the tenant but paid by the COSR in accordance with Section 7(h) for the period in which the MHSA Eligible Resident was occupying the COSR MHSA Housing Unit, but had not yet qualified for other benefits.

(c) Occupancy and Rent Requirements:

(i) Borrower is required to collect tenant portion of rent on COSR MHSA Housing Units, which includes collecting the tenant portion of the rent from tenants unable to qualify for SSI/SSP.

(ii) Borrower is required to rent COSR MHSA Housing Units to MHSA Eligible Residents. Borrower is required to obtain certification from the County or other entity authorized by the County that tenants renting COSR MHSA Housing Units are MHSA Eligible Residents and to file that certification in the MHSA Eligible Resident's file.

(d) Reporting:

(i) The Borrower shall submit an Annual Operating Budget of the Development's projected Operating Expenses and anticipated income sixty (60) days prior to the beginning of the Development's Fiscal Year. The Annual Operating Budget should reflect COSR distribution requested by the Borrower for that year. The Borrower shall submit a bifurcated Annual Operating Budget that distinguishes the MHSA Housing Units that receive COSR from those Units that do not receive the subsidy, and if applicable, MHSA Housing Units which do not receive a subsidy.

(ii) The Borrower shall submit an Annual Audit of the Development's actual income and expenses ninety (90) days after the end of the Development's Fiscal Year. The Annual Audit should reflect the actual distribution of COSR for that Fiscal Year, the amount of the tenant portion of the rent reserve remaining, if any and any unspent COSR at the end of the Fiscal Year, if applicable. The Borrower shall submit a bifurcated Annual Audit that distinguishes actual annual income and expenses of MHSA Housing Units that receive COSR from those Units that do not receive the subsidies.

11. Assignment Prohibited.

This Agreement shall not be assignable by Borrower in whole or in part without the prior written approval of the Agency.

DRAFT – DO NOT EXECUTE

12. Cross-Default.

A default under the MHSA Regulatory Agreement will constitute a default under this Agreement and/or a default under this Agreement shall constitute a default under the MHSA Permanent Loan Documents.

13. Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

BORROWER:

By: ***Draft – Do Not Execute***

Name: _____

Title: _____

AGENCY:

CALIFORNIA HOUSING FINANCE

AGENCY, a public instrumentality and political subdivision of the State of California

By: _____

Name: _____

Title: _____

Exhibit A - Cash Flow Projections (per Cash Flow Proforma)

Exhibit B-1 - MHSA Housing Program Requisition for Disbursement of Capitalized Operating Subsidy Funds - Year 1

Exhibit B-2 - MHSA Housing Program Requisition for Disbursement of Ongoing Capitalized Operating Subsidy Funds

DRAFT – DO NOT EXECUTE

EXHIBIT A

CASH FLOW PROJECTIONS

DRAFT – DO NOT EXECUTE

EXHIBIT B-1
To Capitalized Operating Subsidy Reserve Agreement

MHSA Housing Program
Requisition for Disbursement of
Capitalized Operating Subsidy Funds Year 1

California Housing Finance Agency (CalHFA)
and Department of Mental Health (DMH)

| | | | |
|---|---|---|---------------|
| Project Name: | | Fiscal Year: Year 1: | |
| CalHFA Development No.: | | | |
| Property Address (include city, state and ZIP code): | | | |
| Total number of Units in the Development | | | |
| Total number of MHSA Housing Units in the Development | | | |
| Total number of MHSA Housing Units for which Capitalized Operating Subsidy Reserve is available (COSR MHSA Housing Units) | | | |
| Total number of COSR MHSA Housing Units requiring first year rent advance | | | |
| Total number of MHSA Housing Units currently occupied | | | |
| 3 months rent rolls attached: Yes ___ No | | | |
| This is a request for the release of the following amounts from the Capitalized Operating Subsidy Reserve: | | | |
| Purpose | Number of Units | Dollars Per Unit | Amount |
| COSR MHSA tenants' portion of first year rent | | | |
| Capital Operating Subsidy Reserve | | | |
| | | | |
| Total | | | |
| The undersigned owner/management agent hereby requests that CalHFA disburse funds as provided by the Capitalized Operating Subsidy Reserve Agreement and MHSA Regulatory Agreement heretofore executed on the ___ day of ___, 20___, as shown in this Requisition for Disbursement. | | | |
| To the best of our knowledge, information and belief, the sum requested is required as Capitalized Operating Subsidy Reserve assistance. The undersigned hereby certifies that the fund will be used to cover the shortfall in Operating Expenses for the COSR MHSA Housing Units. | | | |
| Owner/Management Agent: | Signature of Authorized Owner/Agent Official: | | Date: |
| | | | |
| Application(s) for Other Rental Subsidies: Approved ___ Denied | | | |
| For CalHFA Use Only: | | | |
| CalHFA Loan Officer: | Signature of Loan Officer: | Date: | |
| | | | |

DRAFT – DO NOT EXECUTE

| | | | |
|--|-----------------------------|-------|------------------------|
| CalHFA Asset Manager: | Signature of Asset Manager: | Date: | Approved Amount: \$ |
| Eligible date of COSR: Closing Year: Certificate of Occupancy: Yes ___ No COSR Agreement executed: Yes ___ No | | | |

DRAFT – DO NOT EXECUTE

EXHIBIT B-2
To Capitalized Operating Subsidy Reserve Agreement

MHSA Housing Program
Requisition for Disbursement of Ongoing
Capitalized Operating Subsidy Reserve Funds

California Housing Finance Agency (CalHFA)
and Department of Mental Health (DMH)

| | | | |
|--|--|---|--|
| Project Name: | | FY: QTR 1: <input type="checkbox"/> QTR 2: <input type="checkbox"/> QTR 3: <input type="checkbox"/> QTR 4: <input type="checkbox"/> | |
| CalHFA Development No.: | | | |
| Property Address (include city, state and ZIP code): | | | |
| Total number of MHSA Housing Units for which Capitalized Operating Subsidy Reserve is available (COSR MHSA Housing Units) Total number of Units in the Development: | | | |
| This is a request for the release of the following amounts from the Capitalized Operating Subsidy Reserve: | | | |
| Purpose: | | Amount: | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Total: | | | |
| <p>The undersigned owner/management agent hereby requests that CalHFA disburse funds as provided by the Capitalized Operating Subsidy Reserve Agreement and MHSA Regulatory Agreement heretofore executed on the ____ day of ___, 20__, as shown in this Requisition for Disbursement.</p> <p>To the best of our knowledge, information and belief, the sum requested is required as Capitalized Operating Subsidy Reserve assistance. The undersigned hereby certifies that the fund will be used to cover the shortfall in Operating Expenses for the COSR MHSA Housing Units.</p> | | | |
| Owner/Management Agent: | | Signature of Authorized Owner/Agent Official: | |
| | | Date: | |
| For CalHFA Use Only: | | | |
| CalHFA Asset Manager: | | Signature of Asset Manager: | |
| | | Date: | |
| | | Approved Amount: | |
| | | \$ | |